

North Carolina's Department of Commerce, Division of Employment Security leads the Department of Labor's Southeastern Region in investigating and re-classifying misclassified workers. In 2013, 5,691 workers were re-classified from independent contractor to employees. Of that total, 1,332 workers were reclassified based upon 147 persons//claimants protesting to the DES they were misclassified. When the employer was investigated /audited other misclassified workers also were re-classified to employees.

Thru September 2014, the DES Tax Auditors have reclassified 3,927 workers to employees. This year, two employers are protesting re-classifications of 133 and 780 workers. The protest process often involves a lengthy tax Hearing which can be appealed to Superior Court.